



# Department of Justice

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Tampa Orlando Jacksonville Ocala Fort Myers  
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**PINELLAS REALTOR WHO LIED TO LENDERS WHILE FLIPPING  
FOUR PROPERTIES GETS 18 MONTHS IN FEDERAL PRISON**

Tampa, FL - U.S. Attorney A. Brian Albritton announces that U.S. District Judge Virginia Hernandez Covington yesterday sentenced Klara Horvath (age 47, of Clearwater Beach) to 18 months in federal prison for conspiring to commit mortgage fraud, a violation of the mail and wire fraud statutes. The court also entered a money judgment in the amount of \$770,000, the proceeds of the conspiracy.

Horvath had pleaded guilty on January 15, 2009.

According to court documents, Horvath was involved in a property flipping scheme in which she lied about her income to induce lenders to authorize mortgage loans for her to buy several waterfront and water-view properties. She intended to flip the properties for a profit. Instead, she went bankrupt and the properties are in various states of foreclosure. While property flipping itself is not a crime, lying to lenders to get loans is a crime.

This case was investigated by Federal Bureau of Investigation (FBI). It was prosecuted by Assistant United States Attorney Thomas N. Palermo.

This case is part of the Middle District of Florida's Mortgage Fraud Surge, a joint effort by the U.S. Attorney's Office for the Middle District of Florida, the United States Postal Inspection Service and the United States Secret Service and numerous other

federal, state, and local law enforcement agencies. The Surge focuses intensive investigative and prosecutorial resources on the mortgage fraud crisis that plagues middle Florida and has contributed to the current economic situation nationwide. It is designed to accelerate mortgage fraud cases in order to bring perpetrators to justice quickly and provide maximum deterrence. For more information on the Middle District of Florida's Mortgage Fraud Surge, please contact Steve Cole, Public Affairs Officer for the United States Attorney's Office.